



USAID's Water, Sanitation, and Hygiene Finance (WASH-FIN) increases private financing for water, sanitation, and hygiene utilities like water-taps and latrines, which ultimately improve the health and well-being of Kenyans. Photo: USAID

## KENYA

### WATER, SANITATION, AND HYGIENE FINANCE

The Government of Kenya has set an ambitious target of universal access to water, sanitation, and hygiene services (WASH) by 2030. To achieve this, there needs to be greater financial resources, estimated at USD \$12.9 billion dollars, to expand and improve WASH services. However, the current available government budget for WASH is USD \$5.6 billion, leaving a USD \$7 billion gap.

Water, Sanitation, and Hygiene Finance (WASH-FIN) is helping to close the financing gap through sustainable and creditworthy business models, increased public funding, and expanded market finance for infrastructure investment. WASH-FIN supports Water Service Providers (WSPs) and private sanitation service providers to access capital for sustainable, climate resilient water and sanitation infrastructure. By supporting market-based approaches and by partnering with the national and county governments, the activity supports Kenya on its journey to self-reliance.

Due to the emergence of the COVID-19 pandemic in 2020, WASH-FIN worked with key partners to leverage the financing required by WSPs for COVID-19 recovery support, helping to maintain minimum levels of service and liquidity, and to enhance internal WSP revenue collection and management.

## OUR WORK

### INVESTMENT PLANNING

WASH-FIN provides technical support to increase capital investment for WSPs. Working alongside the national regulator, Water Services Regulatory Board (WASREB), the program guides WSPs on investment risks, including climate variability.

### FACILITATING TRANSACTIONS

The lack of adequate information sharing between the financial and water services providers has resulted in less financing for water services across Kenya. To mitigate this, WASH-FIN promotes knowledge sharing between utilities and financial institutions to promote commercial financing of infrastructure development. The activity also facilitates knowledge sharing on commercial financing for the WASH sector and develops tools for debt capacity assessment for WSPs.

### TRACKING FINANCIAL FLOWS

WASH-FIN supports the national government's work in tracking and disseminating information on the amount of funds that have been invested in WASH. A key focus of the program is documenting and disseminating lessons learned in financing of the WASH sector in Kenya.

### WASH AND COVID-19

The onset of COVID-19 drastically reduced revenues for WSPs, which impacted their ability to access repayable financing. WASH-FIN updated its approach to support WSPs to continue to offer water and sanitation services during the pandemic. WASH-FIN supported WASREB to adopt business planning practices and review liquidity support grant applications intended to cushion WSPs from the impacts of the COVID-19 pandemic, setting them on a recovery path.

### KEY ACHIEVEMENTS

- US \$4,386,036 of new funding was mobilized to the water and sanitation sectors.
- US \$1,546,600 of investment mobilized for climate change adaptation.
- 22,290 people gained access to basic sanitation services and 6,900 people gained access to basic drinking water services.
- Facilitated technical support for the revival of the Nanyuki Dam public private partnership project, which will potentially serve at least 223,000 people with access to water services.

**BUDGET:** \$5 Million

#### DURATION

June 2017 – September 2022

#### ACTIVITY LOCATIONS

National-level coverage

#### IMPLEMENTING PARTNER

Tetra Tech

#### KEY PARTNERS

Open Capital Advisors  
Segura Consulting  
Global Credit Rating  
National and County Governments  
Water Service Providers

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